



STATE BOARD OF EQUALIZATION

450 N STREET, SACRAMENTO, CALIFORNIA
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0080
(916) 322-2270 • FAX (916) 324-3984
www.boe.ca.gov

BETTY T. YEE
First District, San Francisco

BILL LEONARD
Second District, Ontario/Sacramento

MICHELLE STEEL
Third District, Rolling Hills Estates

JUDY CHU, Ph.D.
Fourth District, Los Angeles

JOHN CHIANG
State Controller

RAMON J. HIRSIG
Executive Director

**STATE BOARD OF EQUALIZATION MEETING
450 N Street, Room 121, Sacramento
September 11-12, 2007**

PRELIMINARY RECORD OF BOARD ACTION

Tuesday, September 11, 2007

The following is a preliminary record of Board actions taken at the September 11, 2007 Board Meeting. This is not an official record and is subject to correction or modification. The official record of the Board's actions is the minutes of the Board, which will be adopted at a subsequent meeting.

The Board's decision reflects only the issues resolved by the Board at the meeting. Issues resolved prior to the meeting are not reflected in this document.

If you would like specific information regarding items on this Preliminary Record of Board Action, please telephone Rose Smith at (916) 323-9656 or e-mail: Rose.Smith@boe.ca.gov. Please be advised that material containing confidential taxpayer information cannot be publicly disclosed.

BOARD COMMITTEE MEETING

For voting results on committee items, please see Item O, Approval of Board Committee Minutes, page 17 of this document.

BOARD MEETING

ORAL HEARINGS

A. HOMEOWNER AND RENTER PROPERTY TAX ASSISTANCE HEARINGS

There are no items for this matter.

B. CORPORATE FRANCHISE AND PERSONAL INCOME TAX HEARINGS

B1. Nissan North America, Inc., 303581—Dismissed

B2. Accounting Solutions, 378329

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Appeal Partially Granted/Denied	Ms. Yee	Yes
	Mr. Leonard	No
Use the median multiples and the weighted average of "publicly traded" and "merged and acquired" methods for valuation based on a \$1 million salary for the sole shareholder.	Ms. Steel	No
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

B3. Taiheiyo Cement USA, Inc., 332855

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Appeal Denied	Ms. Yee	Yes
Formal Opinion to be drafted	Mr. Leonard	No
	Ms. Steel	No
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

B4. James Fischer Montgomery and Diane Montgomery, 309423

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
No final Board determination	Ms. Yee	Yes
Further briefing requested regarding stock option issue as source income – case to return to an oral hearing calendar	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

B5. Bobby L. Sanders, Sr., 378102

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Appeal Denied	Ms. Yee	Yes
A \$1,000.00 frivolous appeal penalty was ordered.	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

BOARD MEETING RECOVENES AT 1:30 P.M.**C. SALES AND USE TAX APPEALS HEARINGS**

C1. John K. Lewis, 308137 (UT)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Petition Denied	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

C2. Shahrokh Matin, 308003 (CH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
No final Board determination	Ms. Yee	Yes
Ordered that Taxpayer be granted 30 days to submit post hearing documentation, the Department 30 days to respond and the Appeals Division 30 days to prepare a recommendation to the Board	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

C3. Naveed Asghar, 42045 (KH)—Appearance Waived

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Petition Denied	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

C4. Cardinal Health 110, Inc., 97990, 160722, 326200 (OHA)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
No action taken	Ms. Yee	Yes
Taxpayer's appeal postponed and all cases with related issues deferred pending court's decision	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

C5. Robert E. Barabino, 296178 (UT) —Appearance Waived

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Petition Denied	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

Local Tax Reallocation HearingC6. City of Brisbane, City of Los Angeles, City of San Diego, City of San Jose,
384183

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
City of Brisbane's Petition Denied	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

D. SPECIAL TAXES APPEALS HEARING

D1.a. Atlantic Richfield Company, 348075, 158211, 167993 (MT)

D1.b. BP West Coast Products, LLC, 216210, 264250, 307637, 349423 (MT)

D1.c. BP Products North America, Inc., 306843 (MT)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayers' Claims for Refund and Petitions Denied	Ms. Yee	Yes
	Mr. Leonard	Abstain
	Ms. Steel	No
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

E. PROPERTY TAX APPEALS HEARINGS

There are no items for this matter.

ADJOURN

The meeting will reconvene on Wednesday, September 12, 2007, at 9:30 a.m.



STATE BOARD OF EQUALIZATION

450 N STREET, SACRAMENTO, CALIFORNIA
 PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0080
 (916) 322-2270 • FAX (916) 324-3984
www.boe.ca.gov

BETTY T. YEE
 First District, San Francisco

BILL LEONARD
 Second District, Ontario/Sacramento

MICHELLE STEEL
 Third District, Rolling Hills Estates

JUDY CHU, Ph.D.
 Fourth District, Los Angeles

JOHN CHIANG
 State Controller

RAMON J. HIRSIG
 Executive Director

STATE BOARD OF EQUALIZATION MEETING
450 N Street, Room 121, Sacramento
September 11-12, 2007

PRELIMINARY RECORD OF BOARD ACTION

Wednesday, September 12, 2007

The following is a preliminary record of Board actions taken at the September 12, 2007 Board Meeting. This is not an official record and is subject to correction or modification. The official record of the Board's actions is the minutes of the Board, which will be adopted at a subsequent meeting.

The Board's decision reflects only the issues resolved by the Board at the meeting. Issues resolved prior to the meeting are not reflected in this document.

If you would like specific information regarding items on this Preliminary Record of Board Action, please telephone Rose Smith at (916) 323-9656 or e-mail: Rose.Smith@boe.ca.gov. Please be advised that material containing confidential taxpayer information cannot be publicly disclosed.

BOARD MEETING

F. PUBLIC HEARINGS

- F1 Proposed Amendments to Sales and Use Tax Regulation 1802,
Place of Sale and Use for Purposes of Bradley-Burns
Uniform Local Sales and Use Taxes

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Remove the operative date, share proposed revisions with interested parties, move to a 15-day file seeking public comment and bring back to the Board for adoption.	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	No
	Mr. Chiang/Ms. Mandel	Abstain

F2 Proposed Amendments to Regulation 4703, *Seizures and Forfeitures*

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted Proposed Amendments	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

F3 Proposed to Adoption of Regulation 5000 et seq, *Board of Equalization Rules for Tax Appeals*

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted Proposed Regulations	Ms. Yee	Not Participating
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	No

G. TAX PROGRAM NONAPPEARANCE MATTERS – CONSENT

G1 Legal Appeals Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

- Petition for Rehearing
 1. Harry R. Sawl, 298342 (UT)
- Petition for Release of Seized Property
 2. Pragudha Financial Services, Inc., 406193 (ET)

G2 Franchise and Income Tax Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

➤ Decisions

1. James A. Adamic, 358685
2. Joseph R. Banister, 348720
3. Jose M. Clavel, 374601
4. Christina Greene, 361294
5. Cedric Heffner, 349126
6. Iceffine King, 360721
7. David L. Kramer and Cathleen D. Kramer, 358722
8. Linda Joyce Leonard, 353422
9. Ronald S. Mayers and Ann D. Mayers, 258574
10. Amy L. Moreno and Arturo Moreno, Jr., 377876
11. Shlomo Rechnitz, 357302
12. Sammy Thiru, 360361
13. Katherine A. Trost, 357291

➤ Petitions for Rehearing

14. Alfred J. Braun, 335261
15. Thomas R. Camerato, 311016
16. Gloria Cox, 335266
17. Daniel L. Mahnke, 334606
18. Brian K. Shaw, 341954

G3 Homeowner and Renter Property Tax Assistance Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations No Final Determination on sub-item 18	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

➤ Decisions

1. Harlan Barnes, 378595
2. Catherine R. Blalock, 374334
3. Emric A. Calvin, Jr., 373294
4. Su Giang, 378768

5. Judith M. Gonzales, 363044
6. Ruo Hong Li, 382655
7. In Sung Lim, 378239
8. R Z Liu, 383480
9. Grigory Magidin, 377688
10. Caridad U. Naughton, 378349
11. Anatoliy Nedavniy, 378351
12. Alfred O. Parham, 372897
13. Semen M. Peremen, 374533
14. Theang Pich, 387789
15. Mavis I. Piechota (Deceased), 358671
16. Zeynab Raouf-Kazerouni, 380747
17. Ella Shved-Mogilevskaya, 377283
18. ~~David Silverman, 379230~~
19. Richard A. Smith, 328286
20. Homer Stafford, 383496
21. Hung K. Wang, 379516
22. S.H. Yun, 379227

G4 Sales and Use Taxes Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes – except not participating in sub-items 3 and 19

➤ Redeterminations

1. Printronix, Inc., 380580 (EAA)
2. Arco Material Supply Company, 342565 (AS)
3. Target Corporation, 361951 (OHA)
4. Herbalife International America, Inc., 255274 (AS)
5. Kwikset Corporation, 390209 (EAA)
6. Maxim Integrated Products, Inc., 390347 (GH)
7. Cargill, Inc., 290110 (OHA)
8. Maxell Corporation of America, 218844 (OH)
9. Messer Griesheim Industries, Inc., 361134 (OHB)
10. Niagara Conservation Corporation, 225014 (OHB)
11. ESI Altamont Acquisitions, Inc., 307989 (CH)
12. Draeger Medical, Inc., 382903 (OHB)

- Relief of Penalty/Interest
 13. Toyota Motor Credit Corporation, 405328 (AS)
 14. Sport-Chalet, Inc., 405327 (JHF)
 15. First Financial Corporation Services, Inc., 404659 (EA)
 16. Ross Dress For Less, Inc., 405329 (CH)
- Denials of Claims for Refund
 17. Qualex, Inc., 270545 (OHB)
 18. T Square Logistics Services Corporation, 378137 (UT)
 19. Northrop Grumman Systems Corporation, 377304 (AS)
 20. Ford Motor Credit Company, 335913 (OHA)
 21. Trega Biosciences, Inc., 209391 (FH)
 22. QLX Photoprocessing, Inc., 270546 (OHB)
 23. Sprint Communications Company LP, 344618 (OHA)

G5 Sales and Use Taxes Matters – Credits, Cancellations, and Refunds

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff	Ms. Yee	Yes
Recommendations	Mr. Leonard	Yes
No Final Determination on sub-items 8, 18, 26 and 27	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes – except not participating in sub-items 10 and 28

- Credits and Cancellations
 1. Clougherty Packing Company, 373168 (AA)
 2. Luke Brugnara, 403470 (BH)
 3. CMI International Corporation, 403303 (OHA)
 4. Joseph Finley, 404357 (FHB)
 5. Habib Ghannadian, 398298 (FH)
 6. Leiner Health Products, LLC, 405311 (AS)
- Refunds
 7. L.A. Unified School District, 287897 (AS)
 8. ~~Kaiser Foundation Health Plan, Inc., 398517 (AP)~~
 9. Bacon O'Brien Design, Inc., 289300 (AS)
 10. Amgen, 403722 (AR)
 11. City of Hope National Medical Center, 397631 (AP)
 12. Gottschalks, Inc., 331065 (KHO)
 13. Coastal Tractor, 357833 (GHC)
 14. Novellus Systems, Inc., 382198 (GH)
 15. Fleet Business Credit Corporation, 404471 (OHA)
 16. Daktronics, Inc., 354945 (OHA)
 17. Mercedes-Benz USA, LLC, 396408 (KH)
 18. ~~Time Warner Entertainment Company, LP, 312205 (AC)~~
 19. Martin Door Manufacturing, 403684 (OH)
 20. Nuance Communications, Inc., 402877 (OHB)

21. Three Man Corporation, 339406 (FH)
22. Zhong Technologies, Inc., 402390 (CH)
23. Britesmile, Inc., 404469 (CH)
24. Scharzkopf Technologies Corporation, 391852 (OHB)
25. Wachovia Dealer Services, Inc., 399593 (EAA)
26. Kaiser Foundation Hospitals, 398554 (AP)
27. Oliver A. Goldsmith, 395912 (AP)
28. Northrop Grumman Systems Corporation, 377304 (AS)
29. City of Hayward, 396772 (CH)
30. Ford Motor Credit Company, 335913 (OHA)
31. Travis Credit Union, 394718 (JHF)
32. Wescom Credit Union, 394874 (AP)
33. Lucent Technologies, Inc., 393587 (OHB)
34. Lobel Financial Corporation, 401434 (EA)
35. Westlake Services, Inc., 401101 (AS)
36. Capital One Auto Finance, Inc., 348061 (OHA)
37. United Auto Credit Corporation, 396779 (EAA)
38. Lincoln Finance Company, 380722 (FH)
39. A-L Financial Corporation, 399086 (EA)
40. Triad Financial Corporation, 329572 (EA)
41. Ontario T, Inc., 374795 (EH)
42. Cal State 9 Credit Union, 401102 (CH)
43. DTS, Inc., 345306 (AC)
44. Open Text, Inc., 405229 (EAA)
45. Sprint Communications Company, LP, 344618 (OHA)
46. Inwood Credit Union, 351206 (CH)
47. CG Bretting Manufacturing Company, Inc., 390375 (OHA)
48. Salinas Valley Dodge Chrysler, 400881 (GHC)

G6 Special Taxes Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

➤ Relief of Penalty

1. Trammo Petroleum, Inc., 395351 (MT)
2. Dell Marketing, LP, 404674 (ER)

G7 Special Taxes Matters – Credits, Cancellations, and Refunds

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes – except not participating in sub-item 2

➤ Refunds

1. Trammo Petroleum, Inc., 358803 (MT)
2. Trammo Petroleum, Inc., 295177, 317655 (MT) “CF”

G8 Property Tax Matters

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

➤ Timber Yield Tax Claim for Refund

1. Roseburg Forest Products Company, 414132

There are no items for the following matters:

G9 Cigarette License Fee Matters

G10 Legal Appeals Property Tax Matters

H. TAX PROGRAM NONAPPEARANCE MATTERS – ADJUDICATORY**H1 Legal Appeals Matters**

➤ Hearing Notice Sent – No Response

1. Alpine Mountain Homes, Inc., 288136 (KHM)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Petition Partially Granted/Denied	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

- Hearing Notice Sent – Appearance Waived
2. National Medical Care, Home Care Division, Inc., 59219, 60413, 89000080330, 89000080340, 89000080360, 89000080370, 89000080380 (OHA)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Petitions and Claims for Refunds Partially Granted/Denied	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

- Case Heard But Not Decided
3. Anil Kumar Sharma, 318327 (KH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Petition Partially Granted/Denied	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

H2 Franchise and Income Tax Matters

- Decision
1. Affiliated Funding Corporation, 317945

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Appeal Denied	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes
<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Board directed staff to draft a formal opinion on the topic	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

There are no items for the following matters:

H3 Homeowner and Renter Property Tax Assistance Matters

H4 Sales and Use Taxes Matters

H5 Sales and Use Taxes Matters – Credits, Cancellations, and Refunds

➤ Credit and Cancellation

1. Paul J. Polizzi, 243663 (GH)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Claim Granted	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

H6 Special Taxes Matters

There are no items for this matter.

H7 Special Taxes Matters – Credits, Cancellations, and Refunds

➤ Refund

1. Nella Oil Company, LLC, 281412, 332367, 386966 (MT) “CF”

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Taxpayer's Claims Granted	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Not Participating

There are no items for the following matters:

H8 Property Tax Matters

H9 Cigarette License Fee Matters

H10 Legal Appeals Property Tax Matters

I. TAX PROGRAM NONAPPEARANCE MATTERS**I1 Property Taxes Matters**

➤ Audit

1. RuralWest-Western Rural Broadband, Inc., (7996) "CF"

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Not Participating

I2 Offers-in-Compromise Recommendations

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Staff Recommendations	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

1. Inland 99 Cents Wholesale, Inc.
2. KM Solutions, Inc.
3. Vaughn Christopher Jewell

CHIEF COUNSEL MATTERS**J. Rulemaking**J1 Petition to Amend Property Tax Rule 21, *Taxable Possessory Interests-Valuation*

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Deny the petition	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	No

J2 Petition to Amend Property Tax Rule 325, *Notice and Clarification of Decision*

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Deny the petition	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

J3 Request for approval to submit revised language to the 15-day file on Regulation 1521, *Construction Contractors*, regarding application of tax to solar panels

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Revised Language	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

There are no items for the following matters:

- K. Business Taxes
- L. Property Taxes
- M. Other Chief Counsel Matters

ADMINISTRATIVE SESSION

N. Consent Agenda

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendations with the exception of N2, which will be decided at the October Sacramento Board Meeting	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

N1 Retirement Resolutions

- Frank F. Bobadilla
- Joseph W. Clayton
- Maria Hendrick

N2 ~~Approval of 2008 Board Workload Plan~~**N3 Approval of 2008 Diesel Fuel Tax Rate for Interstate Users****N4 Summons to Annual Meeting of the Board and County Assessors****N5 Approval of Revenue and Taxation Code section 6355, *Coins and Bullion Bulk Sale Adjustment*****N6 2007-08 Emergency Telephone Users Surcharge Rate****O. Adoption of Board Committee Reports and Approval of Committee Actions****O1 Legislative Committee****O1. Legislative Committee**

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Adopted committee report and approved the actions therein.	Ms. Yee	Yes
For details see:	Mr. Leonard	Yes
http://www.boe.ca.gov/meetings/legcommittee.htm	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

P. Other Administrative Matters**P1 Executive Director's Report**

- a. Fiscal Year 2007-08 Board of Equalization Budget – Update on Signed Budget
- b. Board of Equalization Curtain Wall Update – Status of Final Construction Activities

P2 Chief Counsel Report

- a. Lessons Learned – Business License Inspection Program

P3 Deputy Director's Report**a. Sales and Use Tax**

1. Fiscal Year 2008/09 Statewide Compliance and Outreach Program Budget Change Proposal – (formerly known as the Business Licensing Inspection Program)

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved staff recommendation for Alternative 1	Ms. Yee	Yes
	Mr. Leonard	No
	Ms. Steel	No
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

2. Budget Change Proposal with Franchise Tax Board related to Joint Behavioral Compliance Study
3. Additional Tax Gap Proposals and Legislative Ideas

b. Property and Special Taxes

1. Approval of Contract over \$1 Million – SICPA Products Security Contract

<u>DECISION</u>	<u>MEMBER</u>	<u>BOARD VOTE</u>
Approved Contract	Ms. Yee	Yes
	Mr. Leonard	Yes
	Ms. Steel	Yes
	Ms. Chu	Yes
	Mr. Chiang/Ms. Mandel	Yes

c. Administration

There are no items for this matter.

Q. Closed Session

ADJOURN